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CAPACITY BUILDING FOR A RESPONSIBLE MINERALS TRADE (CBRMT)

QUARTERLY REPORT: JULY-SEPTEMBER 2018
AND FY 2018 ANNUAL REPORT

October 2018

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DISCLAIMER

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ACRONYMS AND ABBREVIATIONS

3Ts	Tin, Tantalum, and Tungsten
ABM	AlphaMin Bisie Mining
ASM	Artisanal and Small-Scale Mining
BGR	German Federal Institute for Geosciences and Natural Resources
BSP	Better Sourcing Program
CAMI	<i>Cadastre Minière (DRC Mining Cadastre)</i>
CAPCA	<i>Comités d'Accompagnements des Projets Communautaires de l'Alliance</i>
CBRMT	Capacity Building for Responsible Minerals Trade
CEEC	<i>Centre d'Expertise, d'Evaluation et de Certification (Evaluation, Expertise and Certification Center)</i>
COCABI	<i>Coopérative Minière des Creuseurs Artisansaux de Mpama Bisie</i>
COMIMA	<i>Coopérative Minière et Maendeleo</i>
COMINAGRI	<i>Coopérative Minière et Agricole</i>
COOMIANGWE	<i>Coopérative Minière et Agricole de Ngweshe</i>
COP	Chief of Party
CPS	<i>Comité Provincial de Suivi</i>
DCOP	Deputy Chief of Party
DQA	Data Quality Assessment
DRC	Democratic Republic of the Congo
ECC	Eastern Congo Coordinator
ECMCT	Eastern Congo Monitoring Committee Team
FARDC	Armed Forces of the Democratic Republic of the Congo (<i>Forces Armées de la République Démocratique du Congo</i>)
GDRC	Government of the Democratic Republic of the Congo
GIZ	German Society for International Cooperation
ICGLR	International Conference for the Great Lakes Region
IMCA	Independent Mineral Chain Auditor
IOM	International Organization for Migration
IPIS	International Peace Information Service
ITOA	<i>Initiative de Traçabilité de l'Or d'Exploitation Artisanale</i>

iTSCi	International Tin Research Institute Tin Supply Chain Initiative
LBMA	London Bullion Market Association
M&E	Monitoring and Evaluation
MECC	Monitoring, Evaluation, and Coordination Contract
MoM	Ministry of Mines, GDRC
MONUSCO	United Nations Organization Stabilization Mission in the DRC
MOU	Memorandum of Understanding
OECD	Organization for Economic Co-operation and Development
PTF	<i>Partenaires Techniques et Financiers</i> (Technical and Donor Working Group on Mines and Hydrocarbons)
RAGS	Responsible Artisanal Gold Solutions
RCM	Regional Certification Mechanism
RMI	Responsible Minerals Initiative (formerly Conflict-Free Sourcing Initiative, or CFSI)
RMT	Responsible Minerals Trade
SAEMAPE	<i>Le Service d'Assistance et d'Encadrement de l'Exploitation Minière Artisanale et de la Petite Echelle</i> (formerly SAESSCAM)
SGBV	Sexual and Gender-Based Violence
STARR	Strengthening Tenure and Resource Rights
USAID	United States Agency for International Development
VR	Virtual Reality
ZEA	<i>Zone d'Exploitation Artisanale</i>

EXECUTIVE SUMMARY

Tetra Tech is implementing the Capacity Building for Responsible Minerals Trade (CBRMT) project, under Contract Number AID-OAA-I-12-00032/AID-660-TO-14-00002 for the Strengthening Tenure and Resource Rights (STARR) Indefinite Delivery Indefinite Quantity Contract under the auspices of the United States Agency for International Development (USAID) Land Tenure and Property Rights Division. The goal of the project is to strengthen the capacity of the Democratic Republic of the Congo (DRC) and regional institutions to regulate transparently and control a critical mass of the trade in strategic minerals—tin, tantalum, and tungsten (the 3Ts) and gold—in eastern DRC to demonstrate the potential to transform the region’s mineral wealth into economic growth and development.

This report serves as both the Quarterly Report for July-September 2018, as well as the Annual Report for FY 2018 (October 2017-September 2018). The Executive Summary provides an overview of key achievements realized in the past year, while the main body of this report presents a detailed summary of technical activities from July–September 2018, as well as highlights for the year. Quarterly and annual performance data are also provided in Annexes A and B, respectively. This report also serves as the final quarterly/annual report for the project. A final report will be submitted in January 2019.

Highlights by component are as follows:

Component 1: Legal and Policy Framework Improved and International Conference for the Great Lakes Region (ICGLR) Supported

Key activities within Component 1 this fiscal year included providing recommendations to the new DRC Mining Code, revising the Regional Certification Mechanism (RCM), and drafting a strategy for artisanal gold in the Great Lakes region. CBRMT provided technical feedback to these activities by submitting formal recommendations, participating in consultative workshops sessions, delivering presentations, engaging in question and answer sessions, and suggesting edits to zero drafts. Despite the negative impacts of the revised Mining Code for industrial operators, the new code does offer some additional protections and rights for artisanal mining cooperatives. Likewise, the RCM revision includes a number of recommendations made by CBRMT to improve the credibility, efficiency, and efficacy of the mechanism; the final draft of the revised RCM is expected to be completed by December 2018.

Component 2: Capacity of Key Actors Strengthened

To date, CBRMT has trained 2,699 people over the life of the project (since July 2014) in the provinces of North and South Kivu, and Maniema. Using targeted technical assistance, formal curriculum-based trainings, and mentoring, and coaching, the project has increased the awareness and capacity of local stakeholders to manage responsible mineral supply chains. Beneficiaries have included 35 mining cooperatives, DRC Ministry of Mines (Mo) staff at the provincial and national levels, as well as civil society. During this quarter, training focused exclusively on Walikale Territory, where 290 persons (188 men and 102 women) received training in support of alternative livelihoods, and 56 persons (48 men and 8 women) were trained in cooperative governance, planning, and budgeting. This quarter also marks the end of all official training activities by the project, and the production of a comprehensive training compendium, which include all modules delivered by CBRMT. Copies of the compendium will be handed to key partners during the Closeout Workshop.

Component 3: Due Diligence and/or Traceability System for 3Ts and Gold Scaled Up

This quarter marks the first export of verified, conflict-free gold from South Kivu to the U.S.—a major milestone for all the stakeholders involved. The gold was traced using both the *Initiative de Traçabilité de l’Or d’Exploitation Artisanale* (ITOA) and Better Sourcing Program (BSP) systems and delivered to downstream partners Richline, Asahi refinery, and Signet Jewelers. This export represents the first

supply chain to source conflict-free artisanal gold from the DRC by a U.S.-listed company since enactment of Dodd-Frank, and the first export for the ITOA traceability system. Other milestones achieved over the course of the fiscal year include the official registration of 263 miners at Nyamurhale, creation of an equipment rental pool for miners, the first pilot and evaluation of the ITOA traceability system, the adaptation of BSP's online dashboards, implementation of numerous mitigation measures to prevent the presence of children at the Nyamurhale site, and launch of due diligence monitoring at Walikale. Key challenges this year include the drastic reduction in mining activities at Nyamurhale at the very moment the site is being lauded as the source of the first export of artisanal gold to an London Bullion Market Association (LBMA) refinery and the withdrawal of BSP from Kachuba and Lemera 3Ts sites due to unsubstantiated incident alerts and insecurity.

Component 4: Outreach and Communication

This year included numerous achievements related to outreach and communications, including the production and public premiere of *The Journey of Gold* (a virtual reality film about the Nyamurhale pilot distributed by the Discovery Channel), and an accompanying Social Action Toolkit. Together these efforts have proven instrumental in raising awareness about responsible sourcing opportunities in the DRC. A separate capstone film highlighting the achievements of USAID's responsible minerals trade portfolio was also produced and will be shared next quarter. Finally, CBRMT co-authored a lessons learned paper outlining insights gained from the Nyamurhale gold pilot, which was co-presented at the Organization for Economic Cooperation and Development (OECD) Forum in April 2018.

I.0 LEGAL AND POLICY FRAMEWORK IMPROVED AND ICGLR SUPPORTED

The CBRMT Project coordinates with a range of donors as well as public and private sector actors in the Great Lakes region and within the DRC to strengthen the legal framework, policies, and mechanisms that affect artisanal and small-scale mining (ASM) and the responsible minerals trade. Key activities this fiscal year included providing recommendations for the revision of the DRC Mining Code, contributing to the ICGLR's regional gold strategy, and revising the Regional Certification Mechanism manual.

I.1 INPUT TO THE REFORM OF THE MINING CODE

In late January 2018, the revision of the DRC's Mining Code was signed into law. In the months leading up to its passage, CBRMT coordinated and shared input for the Mining Code's revision from key stakeholders in the artisanal mining sector. The code was analyzed this quarter to determine the extent to which it reflects ASM recommendations presented by CBRMT. The analysis found that two of the ten recommendations made by CBRMT appear in the Code, namely:

- (1) **Mining Cooperatives:** CBRMT recommended the new code make it explicit and mandatory for artisanal miners to be organized into cooperatives. The 2018 Mining Code requires "Restriction of artisanal mining to Congolese citizens of legal age and a member of an approved cooperative."
- (2) **Health, Environment, and Safety:** CBRMT recommended that it was the "Cooperative's duty to comply with Health, Environment and Safety and ensure incidents prevention legal requirements within the ZEA (zone d'exploitation artisanale)." The 2018 Mining Code indicates, "Artisanal miners through cooperatives shall respect the standards of safety, hygiene, use of water and environmental protection in accordance with the environmental regulations in force."

Given the MoM received input from multiple sources, definitive conclusions cannot be drawn as to the impact of recommendations made by CBRMT. That said, these reforms address fundamental issues in the ASM sector, and portend to bring changes to the way miners are organized, and to health, environment, and safety standards.

I.2 ICGLR'S REGIONAL GOLD STRATEGY

CBRMT's Eastern Congo Coordinator contributed to the development of a regional gold strategy for the Great Lakes region by sharing insights gained from the Nyamurhale gold pilot during an ICGLR workshop held in Nairobi on September 19-20. His presentation catalyzed a lively discussion on challenges and lessons learned. Key recommendations emanating from the workshop included:

- (1) Harmonize the fiscal regime governing the artisanal gold trade in the Great Lakes region.
- (2) Increase communication among Member States as well as with all relevant public and private stakeholders to facilitate regulation of the ASM gold sector in the region to curtail illicit and fraudulent exploitation of gold.
- (3) Support upstream efforts to source from the region and promote respect of ASM gold sector regulations in the Great Lakes region.

I.3. REVISION OF THE REGIONAL CERTIFICATION MECHANISM (RCM) MANUAL.

At the conclusion of the 2017 fiscal year, CBRMT provided extensive comments to GIZ on the terms of reference for the recruitment of a consulting firm to revise the RCM manual; all of these inputs were reflected in the final terms of reference. Michael Loch and Estelle Levin of Levin Sources were ultimately recruited for the endeavor. During this past year, CBRMT continued to contribute to this process, providing additional recommendations based on findings from our own RCM evaluation and our experiences implementing the RCM. The following recommendations made by CBRMT were integrated in the RCM manual:

- (1) Focus the RCM exclusively on “status” criteria (e.g., serious abuses associated with the extraction, transport, or trade of minerals as defined by OECD guidance). Other regulatory requirements associated with health, safety, environmental, social, and developmental impacts should be moved to “progress criteria.”
- (2) Change the name and clarify the role and responsibilities of the Independent Mineral Chain Auditor.
- (3) Clarify which criteria apply to artisanal mining versus large-scale mining throughout the RCM manual.
- (4) Develop clear templates for third party audit reports.

CBRMT’s Chief of Party (COP) attended and provided feedback to RCM revisions during a stakeholders’ consultation meeting in Kigali, Rwanda on August 28. As previously reported, this workshop was funded entirely by GIZ, who declined a contribution from CBRMT for the event. An important potential change to the manual is a proposal to add a fourth category added to the mine site validation process: the “blue flag” in addition to the existing green, yellow and red flags. The blue flag is meant to be for mine sites that have not yet been inspected. Minerals from a blue mine site could be exported for a period to be determined if a risk assessment has been accomplished by third party assurance provider or lawful exporter. The draft RCM is open for public comments until October 7, 2018 on the Levin Sources website: <http://www.levinresources.com/blog/public-consultation-of-the-draft-revised-rcm-for-the-icglr>.

I.4. LOOKING AHEAD: A NATIONAL STRATEGY FOR ASM GOLD

Following the passage of the revised Mining Code, CBRMT in collaboration with the German Federal Institute for Geosciences and Natural Resources (BGR) and the MoM, worked this quarter to plan a national technical workshop to assist the DRC government in their development of a national artisanal gold strategy for the DRC. The workshop will gather DRC mining officials, the private sector, civil society, and implementing partners to advance a concrete plan for the future of the ASM gold sector that aligns with regional and international standards. The workshop will be held October 2-3 in Bukavu.

2.0 CAPACITY OF KEY ACTORS STRENGTHENED

A primary goal of CBRMT is to strengthen the knowledge and capacity of local stakeholders working in artisanal supply chains for the 3Ts and gold. By increasing awareness and capacity, CBRMT empowers local stakeholders to manage more responsible, efficient, effective, and transparent monitoring and certification systems for these minerals. CBRMT's capacity-building approach utilizes targeted technical assistance, formal curriculum-based trainings, and mentoring and coaching. To date, CBRMT has trained 2,699 people. During this quarter, 290 (188 men and 102 women) received training in support of alternative livelihoods; and 56 people (48 men and 8 women) in cooperative governance, planning, and budgeting.

2.1 TECHNICAL ASSISTANCE

Technical assistance takes the form of demonstrations, one-on-one meetings, troubleshooting, technical and procedural advice, and dialogues with mining cooperatives and miners this past fiscal year largely focused on the establishment and effective management of the equipment rental pool and leadership and decision making for *Coopérative Minière et Agricole de Ngweshe* (COOMIANGWE). The equipment rental pool includes safety provisions, such as headlamps, boots, and hard hats; and technical equipment such as water pumps, scales, and hand tools.

2.1.1 PROVIDE TECHNICAL ASSISTANCE TO MINING COOPERATIVES, CIVIL SOCIETY, AND EXPORTERS/TRADERS ACTIVE AT CBRMT SUPPLY CHAINS

CBRMT developed guidelines for the management of the equipment rental pool and reviewed it line by line with the cooperative; convened elections to identify persons to manage the equipment rental; and subsequently trained and coached this elected team on general equipment inventory, storage, and rental. The assistance was delivered through regular hands-on practical exercises throughout this quarter to ensure paperwork was properly filled out and that rental procedures were adhered to. A technical meeting was organized with the miners to explain relevant procedures of request, withdrawal, delivery of equipment, and requisition/payment.

Another key area of technical assistance is in cooperative leadership. The Eastern Congo Coordinator, the Gold Specialist, the COP, and the Field Training Coordinator consult with the leadership of COOMIANGWE on a regular basis. These consultations serve as coaching and troubleshooting sessions wherein CBRMT staff demonstrate and apply problem-solving to address ongoing issues at the site.

2.2 TRAINING

CBRMT has trained 2,699 people (including mining cooperative leaders and members, civil society actors, technical agents from the MoM, and provincial authorities) to date. This quarter, the project trained 346 individuals (236 men and 110 women) in Walikale province.

2.2.1 TRAIN A MINIMUM OF 350 STAKEHOLDERS AT CBRMT SUPPLY CHAINS (TRAININGS WILL ALSO INTEGRATE SEXUAL AND GENDER-BASED VIOLENCE ISSUES INCLUDING BY UPDATING MODULES, WHERE APPROPRIATE)

Cooperative Governance

CBRMT strengthened the capacities of *Coopérative Minière et Maendeleo* (COMIMA) in Walikale, North

Kivu at the Kalay Boeing mining site (on cooperative governance, planning, budgeting, and accounting management), enabling them to properly manage their cooperatives and their commercial activities. In total, 56 people (48 men and 8 women) attended these trainings.

Sexual and Gender-Based Violence (SGBV) Prevention and Mitigation

CBRMT's Project Manager integrated the theme of SGBV prevention and mitigation into three training modules as follows:

- (1) Safety & Security:** Identify what specific areas on the mine site pose the greatest risk for SGBV incidents and identify measures to mitigate risks. This could include improving the security of physical spaces, such as pit latrines, as well as procedures/systems to ensure women are safe as they operate in and around the mine site, washing station, and while on transport routes.
- (2) Risk Mitigation:** Measures will be taken by mine site monitors and state services to safeguard sensitive/confidential information if we learn of SGBV incidents to protect the identity of victims. If there is an immediate security threat, then the cooperative or support services should coordinate with the appropriate police/security body.
- (3) Cooperative Governance:** Integrate an exercise with the leadership of the cooperative to discuss the cooperative's approach to addressing risks such as SGBV. Cooperatives can make a pledge against SGBV and coordinate awareness-raising campaigns with organizations specializing in the field.

A key role for the monitors is to determine the nature of the need, and appropriately direct individuals to services. To that end, resource guides with contact information for organizations providing a range of health, psycho-social, and legal support services in the realm of SGBV were produced, laminated, and distributed to CBRMT and BSP staff, as well as cooperatives at Nyamurhale, Bukavu, and Walikale. Cooperatives and mine services can be encouraged to distribute the information in the referral list to community members and keep the referral list up to date through informal research each year to ensure the accuracy of contact details and service provision descriptions.

2.2.2 PROVIDE TARGETED TRAINING TO A MINIMUM OF 150 PERSONS IN ASM COMMUNITIES FOR ALTERNATIVE LIVELIHOOD INTERVENTIONS

Over the course of the past year, several steps have been taken to prepare for livelihoods trainings: CBRMT recruited a Livelihoods Consultant, convened meetings with Alphamin Bisie Mining (ABM) Community Development Department and the Lowa Alliance, conducted a field visit, held focus groups with producer groups to identify challenges and training needs, and adapted training modules to meet the identify training needs.

The Livelihoods Consultant and the Field Training Coordinator conducted rapid assessments followed by tailored trainings in alternative livelihoods for 290 people (188 men and 102 women), representing 27 producer groups in Walikale from September 5-26. These producer groups are engaged in income-generating activities including livestock, agriculture, palm oil and wood production and are organized under the umbrella of the Lowa Alliance Community Projects Support



Photo 1. Livelihoods training in Walikale

Committees, or CAPCA. Trainings covered the organization and importance of producer groupings, participation and involvement of members in producer groups, the phases of project management, a guide to the marketplace, leadership, and gender.

3.0 DUE DILIGENCE AND/OR TRACEABILITY SYSTEM FOR GOLD AND 3Ts SCALED UP

A primary goal of CBRMT is to establish due diligence and traceability systems for gold and 3T mineral supply chains to increase the scale, credibility, and sustainability of conflict-free mineral supply chains to facilitate and attract responsible private sector investment to the region.

3.1 GOLD

CBRMT achieved several major milestones in support of responsible gold this quarter, including the first export of verified, conflict-free gold from South Kivu to the U.S., the official registration of 263 miners on site, and an official evaluation of the ITOA traceability system.

3.1.1 FIRST EXPORT

CBRMT is pleased to announce the first validated export of artisanal gold from the DRC to the United States. The gold was traced using both the ITOA and BSP systems and was received downstream partners Richline, Asahi refinery and Signet Jewelers. On August 24, 2018, seven months after the official launch of the Nyamurhale pilot, the exporter Fair Congo exported 272.7 grams of gold from Nyamurhale to Richline Group in New York. The gold was then shipped to Asahi refinery (an LBMA good delivery member) on September 6, 2018.

This export represents a number of milestones for the DRC's artisanal gold sector:

- First supply chain intentionally designed to source conflict-free artisanal gold from the DRC by a US-listed company since enactment of Dodd-Frank;
- First traced artisanal gold sourced from the DRC to be refined by a LBMA “Good Delivery” certified refinery, demonstrating the effectiveness of due diligence systems and possibility for responsible, international companies to engage in the region;
- First OECD-conformant and LBMA-compliant, conflict-free gold to be exported from the South Kivu Province in Eastern DRC, demonstrating the possibility to support economic development in the conflict-affected region while avoiding illicit trade; and
- First artisanal gold site to pilot the DRC's ITOA traceability system and its integration with BSP and GeoTraceability's traceability solution, demonstrating the DRC's government commitment to responsible sourcing.

Unfortunately, following this export, Fair Congo was unable to continue purchasing from Nyamurhale, as they could not come to an agreement with the cooperative on the price of the gold. CBRMT's Eastern Congo Coordinator (ECC) produced seven pricing scenarios to try and find a solution, focusing on pre-financing, the consideration of purity and price, and the losses during smelting. CBRMT also enlisted the support of the MoM and the *Centre d'Expertise, d'Evaluation et de Certification (CEEC)* to



Photo 2. Fair Congo at the Richline Offices

reach an agreement on pricing, but without success. A key barrier is the lack of understanding and unrealistic expectations on behalf of the cooperative, who demanded 100% of the LBMA spot price for the gold (which has approximately 68% purity). A second lesson learned is that without a price premium, legal exporters such as Fair Congo will struggle to be economically competitive over the long term given the high price paid for illegal gold, the significant taxes imposed by the DRC, and the ongoing costs associated with due diligence and traceability.

3.1.2 NYAMURHALE OVERVIEW

Mining activities at Nyamurhale decreased drastically this quarter at the very moment the site is being lauded as the source of the first export of artisanal gold to an LBMA refinery and serving as the stage for the *Journey of Gold* film. This is due to numerous factors, including the lack of capital/financing available to the cooperative to buy gold; the high taxes charged by the cooperative; and the low quantities of gold production. A mere seven grams of gold was purchased by the cooperative this quarter. The limited production entering the clean supply chain is likely to persist given there is no agreement on the purchase price, and concerns about the management of the cooperative, which together prevent Fair Congo from offering inventory financing to the cooperative.

Another barrier to production is the strained relationship with COOMIANGWE. The cooperative's expectations are not based on fulfillment of the Memorandum of Understanding (MOU) it has with CBRMT, but rather extend far beyond the conditions of the MOU and the scope of CBRMT. The cooperative requested CBRMT install a \$180,000 water project, cover all recurring medical costs of miners, pay salaries to cooperative members charged with overseeing the site, and build a canteen on site to generate revenue. These requests transformed over time into demands, formally presented in a letter to the South Kivu MoM and CBRMT. The letter requested an evaluation of the pilot and explained the cooperative's intent to withdraw from the MOU should the demands not be met.

CBRMT organized a series of meetings with the cooperative and key stakeholders to reach a consensus. The South Kivu Provincial Minister of Mines also organized meetings between the various parties, and CBRMT senior staff met several times with the cooperative to try to repair the relationship and maintain its MOU with the cooperative. These efforts paid off, resulting in an action plan related to the supply chain through the end of October. Notable outcomes include the cooperative's acceptance of the continuation of an environmental impact assessment, review of all equipment that needs to be exchanged or repaired and transfer of the equipment to the cooperative. the cooperative undertaking a technical study for a crusher, and assignment of a cooperative member to work with BSP's monitor at Kamisisi to build skills in the due diligence system.

3.1.3 TRACEABILITY AND DUE DILIGENCE MONITORING

Traceability

To develop a more cost-efficient due diligence model for the future, CBRMT developed a self-monitoring template for use by exporters to collect baseline information and conduct spot checks on incidents and supply chain risks. The template includes three tabs: 1) an incident reporting template, 2) a risk reporting template, and 3) a data compilation spreadsheet. Data is to be collected by a network of key informants selected by the exporter, which is then verified and cross-checked by the exporter with other sources including civil society, mining agents, mining operators, the *Comité Provincial de Suivi* (CPS), etc. The information is then compiled, processed, and verified by the



Photo 3. Tracing gold at Nyamurhale

exporter. CBRMT is testing this incident reporting framework next quarter on the recently validated site, Kamisisi. The monitoring deployment at Kamisisi will be conducted between October and November and will include:

- (1) Daily on-site monitoring and recording of risks and incidents,
- (2) Submission of monthly incident reports, and
- (3) Completion of a “due diligence spot check template” for Fair Congo.

If successful, the template will be shared with Fair Congo and could provide a more cost-effective mechanism to measure and monitor supply chain risks.

Due Diligence

CBRMT's ECC and Gold Consultant (Helene de Balzac) assessed due diligence monitoring systems at the Nyamurhale and Kamisisi sites this quarter. In consultation with BSP, they produced a schedule for reviewing incidents and a mitigation plan. The first session took place in September, where over half of the 145 incidents previously recorded by BSP were closed. Incidents are closed when a response measure is implemented with success and the incident no longer represents an immediate risk to the integrity and continuous validation of the supply chain.

As an example, the methodology identified two incidents that occurred on the site, namely the partial collapse of a mine pit (no injuries), and the presence of a child in a pit. For the latter, it should be known this is the first time that the presence of a child was recorded inside of a pit (versus washing station). A series of mitigation actions were subsequently implemented as reported in the summary below. The recording, dissemination, and mitigation of incidents such as these is evidence of the OECD guidance in action, and was well received by our downstream partners who acknowledged the tremendous value of due diligence.

A partial pit collapse occurred in the Chokola pit. Fortunately, there were no injuries. Mitigation measures included temporary closure of the pits; work with the cooperative to determine how to reinforce the pit and slope and materials purchased and rehabilitation of the pit undertake. At Aigle pit, three children under 16 years old were observed digging and transporting bags of mineralized sand. CBRMT convened several meetings with the MoM, cooperative, chefs de puits, miners, and customary authorities to quickly address this situation. Consensus was reached on the following actions to prevent children on the site:

- a) Chefs de puits agreed to enforce the law that prohibits children from working on the site and will prevent them from working in the pits. If children are found in their pit, then the pit will be closed by the government and the cooperative.
- b) No children will be allowed at the washing station below the crushing area. If kids are found, the ore will be seized and the chef de puits sanctioned.
- c) Customary authorities will speak to parents to remind them that children cannot be at the washing station.
- d) Random unannounced spot checks will be conducted weekly at the mine site.

In addition to the preexisting signs that prohibit children from being on site, CBRMT and MoM officials conducted awareness-raising meetings on laws governing child labor in mine sites with miners, the cooperative, customary authorities, and school officials.

3.1.4 FORMALIZATION

This quarter, CBRMT distributed 263 miner registration cards (*cartes des cresseurs*) at Nyamurhale, thus completing the process ensuring the miners have legal status under a responsible supply chain. The cards, which cost \$14 per miner, are valid for one year. To ensure the likelihood that miners renew their registration in the future, CBRMT is discussing with the cooperative the need to set aside funds from the taxes they collect to cover this cost in the future.

3.1.5 ITOA EVALUATION

CEEC led an evaluation of the implementation of ITOA traceability system at Nyamurhale. The evaluation team comprised officials from CEEC, SAEMAPE, the Division of Mines, CAMI, the South Kivu Provincial MoM, and civil society. The team interviewed miners, mining services staff and the cooperative. Topics included working conditions, the flow of the material vis a vis the ITOA system, and traceability.

A restitution and consultative session was convened in Bukavu with the members of the provincial monitoring committee for mining activities (CPS). The critical role of CEEC's

leadership in assuring the ITOA system was a clear finding from the evaluation, as was the transmission, storage, and processing of information. CBRMT's Monitoring and Evaluation (M&E) Specialist and ECC presented an "open source" option to the CEEC so that it can shift to collecting and transmitting data via smartphones. The results of the evaluation have yet to be published and will be shared in CBRMT's final report.



Photo 4. ITOA Evaluation at Nyamurhale

3.1.6 ADDITIONAL SITES FOR SCALING UP

This quarter, the International Peace Information Service (IPIS) completed an assessment of gold sites to be eligible for a responsible supply chain in the future. IPIS staff visited Shabunda, Kalehe, Kaziba Mwenga, and Fizi, and identified a number of sites suitable for responsible supply chains in terms of accessibility, security, and production. IPIS will verify data collected by its investigators. Results will be shared in the next quarterly report, as well as in a separate technical report from IPIS via a comprehensive interactive web map.

3.1.7 KAMISISI

An important milestone was achieved this quarter with the validation of the Kamisisi ASM gold site as "green" by Ministerial Order N°0586 CAB.MIN/MINES/01/2018 of August 30, 2018. This success is the culmination of a collaborative effort with the International Organization for Migration (IOM) and the DRC mining services. CBRMT provided the necessary technical data, and IOM deployed the joint team for the qualification of the site. Kamisisi produces a minimum of 15 grams per week, but of exceptional (97%) purity (compared for example to Nyamurhale, which has 75% purity on average).

3.2 3TS

3.2.1 KACHUBA

This fiscal year included both the launch of BSP at the Kachuba tin mine site (South Kivu) in December 2017, and the subsequent withdrawal of BSP in late May 2018 (see Table 1). During this time, more than 23 metric tons of tin from Kachuba was tagged by BSP in full accordance with the OECD guidance, and local monitors recorded 150 incidents on site.

The primary reason for BSP's withdrawal was related to a Level I incident alert launched by the International Tin Research Institute Tin Supply Chain Initiative (iTSCi) alleging the illegal involvement of the *Forces Armées de la République Démocratique du Congo* (FARDC) at Kachuba. In response, BSP staff conducted a fact-finding mission between January 31 and February 2, 2018. While a legal FARDC command post is not far from Kachuba, no evidence supported the assertion that the FARDC is implicated in production at Kachuba. Representatives from CBRMT, the Responsible Minerals Initiative, Thairsarco (the smelter), the trader, and the titleholder undertook a second mission on February 20, 2018, which reconfirmed the inaccuracy of the allegation.

No minerals could be exported while this Level I incident report was active. As a result, more than 23 metric tons of minerals tagged by BSP from Kachuba could not be exported from Bukavu as iTSCi refused to close the incident report. BSP convened several meetings with DRC mining authorities (including Secretary General of the MoM and CPS) to resolve and close the incident report, to no avail.

Eventually (April 2018) the trader CJX had to suspend operations at Kachuba due to the financial pressures of not able to export. In late May, Raia Mutomboki, a Mai-Mai rebel group, attacked the site but was repelled by the mining police. Given these events and the deteriorating security situation at the mine site, CBRMT (in consultation with USAID) decided to remove the BSP monitor and disengage from the Kachuba site on May 31, 2018.

Table 1. Kachuba Timeline

Date	Event
November 1, 2017	Government-led qualification mission visits the site
November 22, 2017	BSP permanent monitoring commences at Kachuba supported by the USAID-financed CBRMT project implemented by Tetra Tech
December 14, 2017	Site validation decree published
December 19, 2017	BSP commences tagging material
January 7, 2018	iTSCi alert SK-2018-0003-I published (presence of FARDC)
January 23, 2018	iTSCi alert SK-2018-0008 published (presence of FARDC, related to SK-2018-0003-I)
February 7, 2018	COMINAGRI suspended from iTSCi iTSCi accepts COMINAGRI material informally in March and April 2018
February 19, 2018	iTSCi alert SK-2018-0014 published (illegal smuggling)
January 31 – February 2, 2018	BSP international staff fact-finding mission at Kachuba
February 6, 2018	iTSCi produces fabricated letter about dissatisfaction of local population with the local cooperative at Kachuba
February 8, 2018	BSP sends letter to iTSCi Independent Ombudsman responding to allegations and explaining risk mitigation measures
February 9, 2018	Letter by Civil Society of South Kivu confirming that the iTSCi letter has been fabricated with false signatures

3.2.2 LEMERA

Lemera is a tin mine site located in Uvira territory (South Kivu) where approximately 200 miners were producing between 490 and 750 kilograms of tin per week from Lemera. *Coopérative Minière et Agricole (COMINAGRI)*, the same cooperative operating at Kachuba, manages these sites. BSP initiated due diligence monitoring at Lemera on February 5, 2018.

BSP continued to conduct due diligence monitoring at Lemera but was never able to initiate traceability owing to iTSCi's incident alert at Kachuba (see above). Further, there was a massive exodus of miners from the site to a nearby and more productive site. The frequency of Mai-Mai incursions in the area also raised serious security concerns and risks to the supply chain. Finally, given that Lemera shared the same cooperative and trader as Kachuba (see above), CBRMT suspended BSP's activities at Lemera at the same time as those in Kachuba (May 31, 2018).

3.2.3 WALIKALE

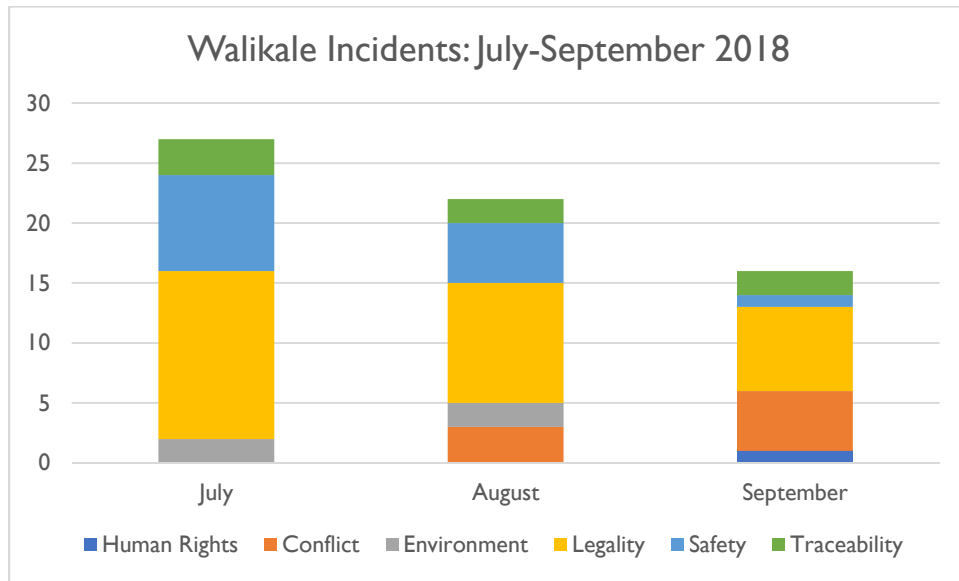
The Kalay Boeing sites in Walikale are located near a village called Maliba in the Utunda *groupement*; Wanyanga *chefferie*. Access is difficult; the last 34 km is a path that can only be traversed on foot, bicycle, or motorcycle. The site produces approximately 20 to 30 tons of cassiterite per month. Two cooperatives are present on the sites: *Coopérative Minière des Creuseurs Artisansaux de Mpama Bisie (COCABI)* and COMIMA.

Generally, minerals are sold by miners or pit managers to “managers,” who in turn sell to négociants after light processing. The négociant then reprocesses and transports the minerals to Goma, where he sells to “entités de traitement.” The “entité de traitement” will process the mineral one more time before exporting. The cooperatives on sites are not buying any minerals due to their lack of funds.

Monitoring continued at Kalay Boeing, despite challenging conditions, such as the absence of a cellular and internet service on site, requiring the monitor make a four-hour weekly trek to Logu to upload data. The monitor recorded 65 incidents falling into the categories of human rights, legality, safety, environment, and traceability. Nearly half of all incidents (31 total) are related to legality. Of these, most incidents are related to work that takes place at night, but this also includes illegal taxation by state agents and theft of minerals under cooperative custody. The next most frequent type of incident falls into the safety category, with 14 incidents related to safety recorded over the quarter. Many injuries are due to falling rocks/stones, as well as high levels of consumption of drugs and alcohol. Scale issues, tags theft, and absence of state agents are frequently reported, comprising seven traceability-related incidents. Four environment-related incidents were recorded this quarter, including several landslides and erosion, which occurred due to high precipitation in this rainy forest area. Finally, one human rights incident was recorded when a miner was detained for over 48 hours and physically beaten by the Police des Mines over a personal debt.

Due diligence measures are, however, having a positive impact. Traceability tags are now stored in a secure location to address the issues related to legality, and officials are making efforts to enforce the regulation against working at night. To reduce risk of landslides, some pits have been closed and their owners are required to secure them before reopening. The cooperative has also issued warnings about safety of pits (which often go unheeded). The Administration of Mines is also prohibiting the use of alcohol and drugs to reduce safety risks. The mining police involved in the human rights incident are no longer at the site. These mitigation measures by DRC officials and the cooperative are a positive sign, as is the continuing decline in the frequency of incidents (see Figure 1 below), which may be attributable to the presence of due diligence monitoring.

Figure 1. Due Diligence at Walikale



BSP will continue to monitor the sites through the end of CBRMT to ascertain whether the reduction in the number of incidents is a sustained trend. Beyond incidents, the monitor also continues to collect mine site assessment and census data, producing a Mine Site Assessment Report in July.

4.0 OUTREACH AND COMMUNICATIONS

CBRMT's outreach and communication activities aim to leverage partnerships with key actors to increase investment and awareness of responsible sourcing opportunities in the DRC, share information and lessons learned across stakeholders, and harmonize donor efforts in the mineral sector. As highlighted below, the *Journey of Gold* film and Social Action Toolkit have proven instrumental in raising awareness about responsible sourcing opportunities. The film and toolkit have raised the profile of the Responsible Artisanal Gold Solutions Forum, generating interest from additional private sector partners in investing and participating in the forum. Emblematic of CBRMT's efforts to share information and lessons learned across stakeholders is the co-authored [Lessons Learned document](#) outlining insights gained from the Nyamurhale gold pilot, which was co-presented at the OECD Forum in April 2018. Harmonization of efforts across donors in DRC continued through the fiscal year, with CBRMT coordinating meetings between implementing partners, and with the MoM.

4.1 SUPPORT THE TECHNICAL AND FINANCIAL PARTNERS FOR THE MINING SECTOR

As of the end of June 2018, USAID is no longer serving as the Secretariat for *Partenaires Techniques et Financiers* (PTF) meetings. USAID is encouraging other donors to take the lead of this coordinating body. During the first part of the fiscal year, CBRMT helped to organize the meetings, recorded the minutes, and distributed meeting summaries to participants. These were convened on a bimonthly basis and CBRMT Deputy Chief of Party (DCOP) Josee Ongotto was the primary point of contact for CBRMT and USAID.

4.2 PRODUCE A VIRTUAL REALITY FILM

The *Journey of Gold* virtual reality (VR) film and accompanying Social Action Toolkit were publicly launched on September 14, 2018. The Discovery VR Channel is hosting the film on its page and as of the printing of this report, the film had been viewed more than 20,000 times. The [Social Action Toolkit](#) produced by the Responsible Artisanal Gold Solutions (RAGS) partners, with significant input from Tetra Tech's Communications Director, has been viewed 6,800 times. An influencer strategy and outreach campaign was developed by Google, the Enough Project, Resolve, and CBRMT and implemented by members of the RAGS Forum. Tetra Tech's Communications Director liaised closely with the communications specialists at USAID's Africa Bureau in Washington. Key influential figures in film and politics tweeted about the film, drawing interest from their followers. Google also designed a t-shirt and cardboard viewer, which can be purchased as a bundle for US \$30, with proceeds going to the RAGS Forum and the Enough Project. Finally, CBRMT was able to share the film on its VR headset with USAID in Washington, DC and in Kinshasa, where it was well received. The film has received numerous prestigious accolades, including:



Best Film at the VR International Film Festival in Tonneins en France,



Official Selection Mountain Film Festival,



Best Scientific Work VR Sci Fest, and



Next Marché du Film.

The film can be watched here: https://youtu.be/_bXgW6ZD6wM or <https://www.discoveryvr.com/> and the trailer is available at www.journeyofgold.org.



Figure 2. VR “Cardboards” created by Google for launch of Journey of Gold.

4.3 PRODUCE A SHORT FILM HIGHLIGHTING THE OBJECTIVES, ACHIEVEMENTS, AND CHALLENGES OF THE RESPONSIBLE MINERALS TRADE PORTFOLIO

The three-member film crew from film company What Took You So Long gathered footage from Goma, Bukavu, Nyamurhale, Washington, New York City, and San Francisco between August 10 and September 5. In total, the crew interviewed 16 individuals from USAID, the private sector (Google, Richline Group, Fair Congo Inc.), implementing partners (CBRMT, BSP, IOM), nongovernmental organizations (Resolve, Enough Project, Chambers Federation), DRC government (Provincial MoM, CEEC South Kivu, South Kivu Mining Police, SAEAMAPE), and miners (COOMIANGWE Cooperative and miners at Nyamurhale). CBRMT’s Project Manager accompanied the film crew for all filming in the DRC and Washington, DC, and Tetra Tech’s Communications Director joined the filming in New York City, where the crew captured the arrival of the first gold export. CBRMT and USAID/DRC provided extensive feedback on the first draft of the film. The final version is anticipated in mid-October 2018, just in time to show at CBRMT’s Closing Workshop on October 18, 2018.

4.4 MAINTAIN REGULAR COMMUNICATIONS AND COORDINATION TO PROMOTE A RESPONSIBLE MINERALS TRADE IN THE REGION

4.4.1 FORUMS

Eastern Congo Monitoring Committee Team (ECMCT): CBRMT confirmed with USAID that it will be stepping back from its role as both the Secretariat of the PTF and the co-coordinator of the ECMCT while new donors are found to take on these roles. CBRMT subsequently communicated to the ECMCT coordinator at the United Nations Organization Stabilization Mission in the DRC (MONUSCO) that while this new leadership is identified, USAID remains committed to collaboration and active participation in the ECMCT, as they greatly value the collaboration and information sharing that this forum provides.

Responsible Artisanal Gold Solutions Forum (RAGS-F): The RAGS-Forum and sub-groups comprising supply chain partners (Asahi, Signet, Richline, Fair Congo, USAID, CBRMT) and the VR film partners (Asahi, Signet, Richline, Fair Congo, USAID, CBRMT, Enough Project) convened teleconference meetings on a monthly basis, sometimes more frequently, in the lead up to the *Journey of Gold* launch and the gold export. Resolve is now convening these same actors to develop a communications plan for the forthcoming press release on the gold export, as well as to field questions from the press in reaction to

Journey of Gold and/or the gold export. Finally, Resolve is convening BSP, Richline Group, and Fair Congo to discuss the details of the documentation of the gold export. Richline Group is interested in entering the transaction into the Trust Chain ledger, a pilot blockchain initiative that Richline is implementing with IBM.

4.4.2 PARTNERS

In addition to these forums for collaboration, CBRMT maintained regular communication and coordination with the following partners in the DRC and internationally this quarter to promote responsible minerals trade in the region:

AlphaMin Bisie: As noted under Component 2 (Capacity Building), and Component 3 (Responsible Supply Chains), CBRMT's close coordination with ABM in Walikale continues. CBRMT's Field Training Coordinator and Livelihoods Consultant engaged with ABM's Community Development Unit in the logistical arrangements and approach for training 27 livelihood groups affiliated with the Lowa Alliance. BSP is also in regular communication with ABM as they conduct due diligence on 3Ts at Kalay Boeing.

Fair Congo: CBRMT and Fair Congo collaborated on several key initiatives this quarter—most notably the export of gold from Nyamurhale (see Annex D). Finally, Fair Congo was quite actively involved in the filming for the upcoming Responsible Minerals Trade (RMT) film, with interviews in Goma, Bukavu, and New York City as the exporter traveled from the DRC to the Richline Group offices in New York to deliver the first gold sourced from Nyamurhale.

Google: As described above, Google spearheaded the Influencer and outreach campaign for *Journey of Gold* and has continued to contribute ideas regarding related communications via the RAGS-F. Google's Conflict Minerals Lead for Responsible Supply Chains, Alyssa Newman, was interviewed in her office for the RMT film (in production).

International Organization on Migration: IOM coordinated the validation and qualification of Kamsisi site, which ultimately led to the ministerial “*arrete*” declaring the site green. In addition, IOM's Head of South Kivu Sub-Office, Maxie Muwonge, was interviewed for the RMT film and Cherif Diallo coordinated logistics for the film crew to recreate a mine site validation process for the film and to capture footage of the trading center (*centre de negoce*) in Nzibira, which was funded by USAID.

Responsible Minerals Initiative (RMI): CBRMT's COP, Dr. Catherine Picard, participates in the monthly RMI Multi-Stakeholder Calls, where she has presented on CBRMT's efforts. At RMI's invitation, she will also present at RMI's annual conference in October 2018, where she will share insights gained from the Nyamurhale gold pilot, and lead a screening of the *Journey of Gold* VR film.

5.0 MONITORING AND EVALUATION

The project's performance is presented in two tables (see Annexes B & C) to differentiate and facilitate the understanding of the quarterly and annual achievements.

Internal Assessment

An internal assessment by CBRMT's M&E Specialist was organized starting May 2018 to identify lessons learned as well as recommendations from different project stakeholders. This study also allowed stakeholders to reflect on achievements of CBRMT by component and to identify difficulties encountered, how they were overcome and areas of improvement.

Internal Data Quality Assessment (DQA)

An internal DQA was carried out to ensure the quality of the project information as per the M&E Plan. This assessment consisted mainly of the documentary review and had specific objectives such as (1) checking the resolution of issues discovered in the external DQA in July 2017; (2) identifying possible problems with quality of data in the project information system, by determining whether those data conform to the five data quality standards; (3) generating a plan to manage and identify threats to data quality; (4) ensuring documented sources of all data and that figures are correct; and (5) building a plan to improve data quality.

Monitoring, Evaluation, and Coordination Contract Evaluation (MECC)

CBRMT was contacted by representatives from MECC, which provides monitoring and evaluation services to USAID/DRC, to undertake a third-party monitoring of two CBRMT mine sites: Nyamurhale and Walikale. Logistical and planning advice was provided by CBRMT in support these site visits. The Nyamurhale site visit was completed by September 20; however, CBRMT has not received any updates about the status of the Walikale visit at the time this report was produced.

Mission Standard Reporting

CBRMT submitted Annex A of the Mission Standard reporting template to USAID for both Q3 and Q4, respectively.

6.0 MANAGEMENT AND OPERATIONS

6.1 STAFFING AND OFFICES

CBRMT had a total of 12 full-time staff (not including support from the home office in Burlington, VT and Washington, DC) during the Fourth Quarter of FY18. This number includes one staff member in Kinshasa, eight staff members in Goma, one staff member in Bukavu, and two staff members in Walungu. USAID approved CBRMT's Closeout and Demobilization Plan in August 2018. The plan outlines proposed phasing out of CBRMT staff as the project enters its last quarter:

October: Walungu- and Bukavu-based staff—Field Agent, Field-based Admin and Finance Specialist, Gold Pilot Manager, and the Driver will all depart by October 30, 2018.

November: DCOP (Tech) and Field Training Coordinator will depart November 15, 2018.

December: The Logistician and Security Officer, the Finance and Admin Officer, the Accountant, DCOP (Admin and Finance), and Eastern Congo Coordinator will complete their contracts and depart from Goma by December 15, 2018. The COP will also depart from Goma on December 15, and work remotely the last two weeks of the month, through contract end.

HOME OFFICE (WASHINGTON, DC AND BURLINGTON VT)

The Project Manager, Jennifer Graham was based in Washington, DC; and the Deputy Project Manager, Laura Gallup was based in Burlington, Vermont. Significant support was offered by the home office Communications Director, Production Unit, and M&E Specialist this quarter.

KINSHASA OFFICE

The Technical DCOP, Josee Ongotto, was based in Kinshasa this past quarter. She has continued to be responsible for meeting regularly with officials from the MoM, USAID, and other implementing partners to ensure the smooth implementation of CBRMT activities. She continued to facilitate regular meetings of the PTF and served as CBRMT's ICGLR Focal Point during the quarter. Ms. Ongotto served as Acting COP for much of the month of August 2018 while the COP, Catherine Picard, was on leave. The Kinshasa office will close at the end of October 2018. The DCOP (Admin and Finance) will work remotely during the final two weeks in country.

GOMA OFFICE

The COP, Catherine Picard, was based in Goma along with Louis Pascal Sambou (DCOP Administration and Finance), Linca Tuyisenge (Accountant), Armel Nganzi (Eastern Congo Coordinator), Accel Kashinzi Nguma (Logistician), Roselyne Ndoole (Bookkeeper), Polycarpe Kumasamba (Training Specialist), and Jonathan Itegwa (M&E Officer).

The M&E Officer notified the CBRMT project during the month of August that he was resigning from the project, and his last day was September 13, 2018. The COP will cover the M&E responsibilities for the duration of the project with support as needed from the home office Monitoring, Learning, and Evaluation Specialist. The Goma office will be the last office to close in the field, on December 15, 2018.

BUKAVU AND WALUNGU

Field-based activities in the gold mine sites were undertaken by three CBRMT staff members based in Bukavu and Walungu. These staff members include Rodrigue Kiluka (Gold Project Coordinator), Olivier Aganze (Financial and Administration Manager), and Bernard Bisimwa Kajangu (Field Agent). They will all depart the field in late October 2018.

Table 2 contains all home office and in-country project staff names and contact information. Staff transitions are noted in the comments section.

Table 2. CBRMT Staffing

Name	Position	Phone	Business Email	Comments
Catherine Picard	Chief of Party (Goma)			No change
Jennifer Graham	Project Manager (Washington, D.C.)			No change
Laura Gallup	Deputy Project Manager (Burlington)			No change
Louis Pascal Sambou	Deputy Chief of Party Administration & Finance (Goma)			No change
Josee-Blandine Ongotto	Deputy Chief of Party Technical (Kinshasa)			No change
Linca Tuyisenge	Accountant (Goma)			No change
Armel Nganzi	Eastern Congo Coordinator (Goma)			No change
Accel Kashinzi Nguma	Logistician & Procurement Officer (Goma)			No change
Polycarpe Kumasamba	Training Coordinator (Goma)			No change
Roselyne Maimouna Ndoole	Bookkeeper (Goma)			No change
Rodrigue Kiluka	Gold Supply Chain Coordinator (Bukavu)			No change
Bernard Bisimwa	Field Agent (Walungu)			No change
Olivier Naburacha Aganze	Finance & Administration Officer (Walungu)			No change
Jonathan Itegwa	M&E Officer (Goma)			Last day was September 13, 2018

6.2 SECURITY

CBRMT is designed to maintain flexibility in our office, staffing arrangements, and activity planning to account for changing security conditions, while ensuring project operations in the safest and most cost-efficient manner possible. The security plan includes evacuation services and renewal of multiple entry visas to ensure all expatriate and third-country national staff can leave (and return to) the DRC as necessary. At all times, Tetra Tech has kept lines of communication with USAID open to share security information and coordinate adjustments to activity planning as needed.

Tetra Tech's "Ebola Task Force," which was established to monitor and evaluate the Ebola situation in the DRC, continued to meet throughout the quarter.

6.3 ACCOUNTING

The project submitted the FY18 Q4 Accruals Report to USAID on September 11, 2018. CBRMT's cumulative costs incurred as of September 30, 2018, were \$13,062,659, which amounts to 91% spent of the obligated amount of \$14,357,811.00.

ANNEX A: DELIVERABLES

CONTRACT DELIVERABLES	STATUS
IRI.1 Legal & Policy Framework	
Workshop on Advancing Responsible Artisanal Gold (organized in collaboration with donors and civil society)	Scheduled for 2-3 October
Synthesis Report from Advancing Responsible Artisanal Gold, including recommendations to improve the formalization, management, and transparency of the artisanal mining sector (in English and French)	Completed
IRI.2 Capacity of Key Actors in Conflict-Free Minerals Supply Chain Developed	
Provide technical assistance on as-needed basis to exporters, mining cooperatives, and civil society active at CBRMT supply chains regarding 1) organizational structures of a cooperative; 2) basic administrative, financial, and management skills; 3) technical and operational skills; 4) environment, health, and safety concerns; and 5) labor rights, benefit sharing, financing, and decision making.	Completed; progress updates included in quarterly reports.
Provide targeted training (using existing 20 training modules) to a minimum of 350 stakeholders in CBRMT-supported 3T and gold supply chains. Trainings will also integrate sexual and gender-based violence issues including by updating modules, where appropriate.	Completed; progress updates included in quarterly reports.
Identify and provide targeted training to a minimum of 150 persons in ASM communities to prepare beneficiaries for the implementation of planned alternative livelihood interventions, including women's organizations (25% of beneficiaries must be women).	Completed; progress updates included in quarterly reports.
IR 1.3 Continue to Scale-up Traceability and/or Due Diligence Systems for 3Ts and Gold	
Establish a responsible, conflict-free artisanal gold supply chain(s) from DRC, including by implementing due diligence and/or traceability on-site. Additional supply chains can be supported as time and resources allow.	Completed; progress updates included in quarterly reports.
Implementation plan for responsible, conflict-free artisanal gold supply chain(s)	Completed
Support the Better Sourcing Program (BSP) to establish due diligence and/or traceability at three (3) supply chains, at least one of which should be gold.	Completed; progress updates included in quarterly reports.
IR 1.4 Outreach and Communications	
Produce a short film highlighting the objectives, achievements, and challenges of the responsible minerals trade portfolio.	October 2018
Maintain regular communications and coordination to promote a responsible minerals trade in the region including with the GDRC, OECD, international civil society, private sector actors, and other implementing partners.	Progress updates included in quarterly reports.
PTF Meeting Minutes (due one week after each PTF meeting)	Submitted to date
Project and Annual Work Plan, Quarterly Reports, and Financial Reports	
Project Work Plan	Completed
Quarterly Technical Reports (*per STARR IDIQ, the July–September Quarterly Report will serve as the Annual Progress Report, so it shall be no longer than 20 pages, excluding annexes)	Completed to date
Quarterly Financial Reports	Completed to date
Revised Work Plan for Year 2	Completed

ANNEX B: QUARTERLY PERFORMANCE (JULY–SEPTEMBER 2018)

Project Indicators	Jul - Sep 2018	Life of Project Target	Life of Project Actual	Notes
Indicator 1.1 Legal and regulatory reforms proposed or implemented: The number of specific pieces of legislation or implementing regulations affecting resource rights of the urban and rural poor adopted by the country attributable to USAID support	1	5	7	Ministerial decree for KAMISISI qualification was issued on August 30, 2018.
Indicator 1.2 Number of IMCA investigations completed and report provided	0	1	0	CBRMT is still waiting IMCA investigation report completed in April 2017.
Indicator 2.1 Stakeholders trained: The number of public officials, traditional authorities, project beneficiaries, and representatives of the private sector receiving formal on-the-job land training or technical assistance regarding registration, surveying, conflict resolution, land allocation, land use planning, land legislation, land management or new technologies <i>(disaggregated by CBRMT component, sex, location, age [cohort], community/traditional leaders, and position with the mining supply chain)</i>	346	2,150	2,699	56 people from COMIMA received trainings and technical assistance in Cooperative management, Planning and Budgeting and Accounting management. Livelihood trainings underwent this quarter in Walikale, Mubi and Biruwe and reached 290 participants from Lowa Alliance Community Projects Support Committees. Based on the internal DQA, we found 248 people that are missing evidence of gender between July 2014 to November 2015.
Indicator 2.2 Number of people attending USG-assisted facilitated events geared toward strengthening understanding and awareness of resource rights and resource governance-related issues	0	697	813	No events this quarter
Indicator 3.1 Number of gold supply chains implementing due diligence and/or traceability	1	1	1	Nyamurhale supply chain ongoing

Project Indicators	Jul - Sep 2018	Life of Project Target	Life of Project Actual	Notes
Indicator 3.2 Number of miners participating in CBRMT gold scaling up and piloting process (<i>location AND sex of miners</i>)	263	388	263	No new miners this quarter
Indicator 3.3 Number of 3T supply chains implementing due diligence and/or traceability	1	2	6	Numbi, Luntunkulu, Mwema, Kachuba Lemera and Walikale
Indicator 3.4 Number of miners participating in CBRMT 3Ts scaling up and piloting process (<i>location AND sex of miners</i>)	0	5,700	5,059	No new miners this quarter
Indicator 4.1 Number of activities (meetings and workshops) geared toward strengthening coordination and communication on resource rights and resource governance-related issues organized with support of the CBRMT project ¹	4	27	38	1 CPS July 16, 2018 3 RAGS Forum meetings on July 23, 2018, August 30, and Sept 28, 2018

¹ Language of indicator was previously "Number of meetings/workshops convened or supported by CBRMT to facilitate information sharing, coordination, sharing best practices in support of establishing a responsible minerals trade."

ANNEX C: ANNUAL PERFORMANCE (OCTOBER 2017-SEPTEMBER 2018)

Project Indicators	October – December 2017	January – March 2018	April – June 2018	July - September 2018	Annual Target	FY Actual (Oct 2017-Sep 2018)	Notes
Indicator 1.1 Legal and regulatory reforms proposed or implemented: The number of specific pieces of legislation or implementing regulations affecting resource rights of the urban and rural poor adopted by the country attributable to USAID support	0	0	2	1	1	3	<ul style="list-style-type: none"> I Mining code inputs I Mining Code Revised I Kamisisi Qualification
Indicator 1.2 Number of IMCA investigations completed and report provided	0	0	0	0	1	0	CBRMT is still waiting for IMCA investigation report completed in April 2017.
Indicator 2.1 Stakeholders trained: The number of public officials, traditional authorities, project beneficiaries, and representatives of the private sector receiving formal on-the-job land training or technical assistance regarding registration, surveying, conflict resolution, land allocation, land use planning, land legislation, land management or new technologies	261	35	119	346	480	761	
Indicator 2.2 Number of people attending USG-assisted facilitated events geared toward strengthening understanding and awareness of resource rights and resource governance-related issues	131	54	10	0	175	241	NK Mining Day Traceability Nyamurhale Resource Management for Kalay Boeing PTF Meeting Dec. 2017
Indicator 3.1 Number of gold supply chains implementing due diligence and/or traceability	1	1	1	1	1	1	Nyamurhale supply chain was setup since October 2017 to date.
Indicator 3.2 Number of miners participating in CBRMT gold scaling up and piloting process (location AND sex of miners)	59	263	263	263	388	263	Total is not cumulative, but rather reflects number of miners each quarter

Project Indicators	October – December 2017	January – March 2018	April – June 2018	July - September 2018	Annual Target	FY Actual (Oct 2017-Sep 2018)	Notes
Indicator 3.3 Number of 3T supply chains implementing due diligence and/or traceability	2	2	2	1	2	3	CBRMT worked in Lemera and Kachuba where BSP implemented Due Diligence and Traceability until May 2018 and then went in Walikale .
Indicator 3.4 Number of miners participating in CBRMT 3Ts scaling up and piloting process (<i>location AND sex of miners</i>)	940	110	0	0	750	110	Kachuba 940 miners counted on site Q1 Kachuba and Lemera 110 miners registered. Q2 FY Actual refers to only those with mining card
Indicator 4.1 Number of activities (meetings and workshops) geared toward strengthening coordination and communication on resource rights and resource governance-related issues organized with support of the CBRMT project ²	1	5	4	4	14	14	6 Full RAGS Forums 4 PTF Meetings 2 Informal Working Group 1 Meeting for Kalay Boeing 1 CPS for ITOA Evaluation During the internal DQA, we discovered that Mining Day should be counted only for indicator 2.2, so changed Oct-Dec 2017 performance was changed.

² Language of indicator was previously "Number of meetings/workshops convened or supported by CBRMT to facilitate information sharing, coordination, sharing best practices in support of establishing a responsible minerals trade."

ANNEX D: SNAPSHOT



USAID
FROM THE AMERICAN PEOPLE

DEMOCRATIC REPUBLIC OF THE CONGO

SNAPSHOT

RESPONSIBLE GOLD EXPORTED!



“We are proud to be contributing to the establishment of due diligence systems to support a documented, tracked and traceable process for artisanal gold from the DRC.”

**—Mark Hanna,
Richline Group**

CBRMT achieved a major milestone in September 2018 with its first export of conflict-free artisanal DRC gold, the first artisanal gold sourced from the DRC to be refined by a London Bullion Market Association “Good Delivery” certified refinery. It demonstrates the effectiveness of due diligence systems and the possibility for responsible, international companies to engage in the region. It is also the first supply chain to source conflict-free artisanal gold from the DRC by a US-listed company since the enactment of Dodd-Frank section 1502.

The 272 grams of gold were delivered from the DRC to the Richline Group in New York City by exporter Fair Congo. This export represented the culmination of extensive collaboration between members of the Responsible Artisanal Gold Solutions Forum and CBRMT, BSP, and the DRC government. It is a testament to the power of public-private partnerships, and the perseverance of the downstream partners.

Upstream at the mine site, the CEEC (the DRC government agency charged with assuring responsible gold sourcing) provided oversight of the production, tracing the gold from mine site to the point of sale. BSP monitors tracked, recorded, and mitigated any incidents onsite as a part of its OECD-compliant due diligence. Fair Congo, the exporter, negotiated intensely with the mining cooperative COOMIANGWE on price.

Downstream, Resolve convened supply chain partners Asahi (the refinery) and Richline Group to help reach agreement on the terms and conditions of the sale with the exporter Fair Congo. Signet Jewelers agreed to fashion hoop earrings—the final step in this journey of gold!

Telling Our Story

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